

**STATE OF ALASKA
DEPARTMENT OF REVENUE
TREASURY DIVISION
POWER COST EQUALIZATION ENDOWMENT FUND**

**SCHEDULE OF INVESTED ASSETS
December 31, 2006 and 2005**

	<u>2006</u>	<u>2005</u>
Investments (at fair value)		
Cash and cash equivalents		
Short-term Fixed Income Pool	\$ <u>640</u>	\$ <u>13,626</u>
Marketable debt and equity securities		
Broad Market Fixed Income Pool	130,032,912	64,681,682
Non-retirement Domestic Equity Pool	179,063,401	82,485,134
SOA International Equity Pool	<u>71,644,556</u>	<u>32,162,404</u>
Total marketable debt and equity securities	<u>380,740,869</u>	<u>179,329,220</u>
Income receivable	<u>2</u>	<u>358</u>
Total invested assets	<u>\$ <u>380,741,511</u></u>	<u>\$ <u>179,343,204</u></u>

**STATE OF ALASKA
DEPARTMENT OF REVENUE
TREASURY DIVISION
POWER COST EQUALIZATION ENDOWMENT FUND**

**SCHEDULE OF INVESTMENT INCOME
AND CHANGES IN INVESTED ASSETS**

**For the Month Ended
December 31, 2006**

	<u>CURRENT MONTH</u>	<u>YEAR TO DATE</u>
Investment Income		
Cash and cash equivalents		
Short-term Fixed Income Pool	\$ <u>2</u>	\$ <u>44</u>
Marketable debt and equity securities		
Broad Market Fixed Income Pool	(708,882)	4,119,810
Non-retirement Domestic Equity Pool	2,108,585	13,621,406
SOA International Equity Pool	1,979,661	7,536,282
Commission Recapture - International	<u>-</u>	<u>198</u>
Total income (loss) marketable debt and equities	<u>3,379,364</u>	<u>25,277,696</u>
Total investment income (loss)	3,379,366	25,277,740
Total invested assets, beginning of period	377,368,894	184,456,694
Net contributions (withdrawals)	<u>(6,749)</u>	<u>171,007,077</u>
Total invested assets, end of period	<u>\$ 380,741,511</u>	<u>\$ 380,741,511</u>

STATE OF ALASKA
DEPARTMENT OF REVENUE - TREASURY DIVISION
INVESTED ASSETS UNDER THE INVESTMENT AUTHORITY OF THE COMMISSIONER OF REVENUE

POWER COST EQUALIZATION ENDOWMENT FUND
Asset Allocation Policy with Actual Investment Holdings as of
December 31, 2006
(Stated in Thousands)

Asset Allocation Policy Effective Date: 7/1/06

Fund established 5/24/00

	Asset Allocation		Market Values	Current Allocation	Current Variance
	Policy	Range			
Cash and cash equivalents					
Short-term Fixed Income Pool	Residual		1	0.00%	n/a
Total cash and cash equivalents	0.00%	0.00%	1	0.00%	n/a
Marketable debt securities					
Broad Market Fixed Income Pool	35.00%	30%-40%	130,034	34.15%	0.85%
Total Marketable debt securities	35.00%		130,034	34.15%	0.85%
Equities					
Non-retirement Domestic Equity Pool	47.00%	42%-52%	179,063	47.03%	-0.03%
SOA Int'l Equity Pool	18.00%	13%-23%	71,645	18.82%	-0.82%
Total investments AY 13	100.00%		380,742	100.00%	0.00%
Income Receivable			-		
Total Invested Assets At Fair Value			380,742		